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WISCONSIN ECONOMIC INDICATORS

DECEMBER 1987

DILHR
DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

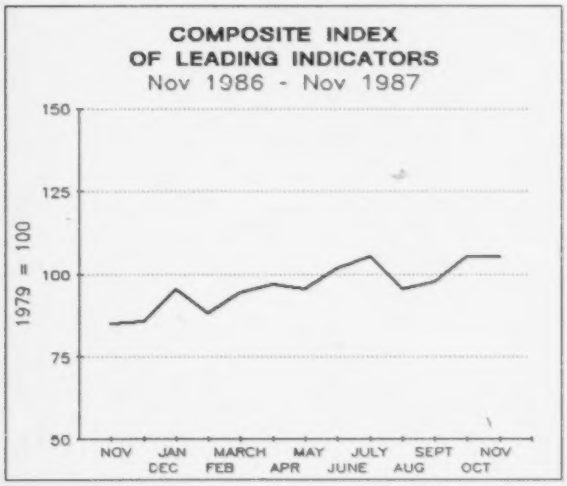
SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

WISCONSIN ECONOMIC INDICATORS

SUMMARY FOR NOVEMBER

COMPOSITE INDEX

Wisconsin's Composite Index of Leading Indicators inched up in November to 105.1 percent of its base year. The increase from one month ago is slight, one-tenth of a percentage point, since trends in the leading indicators are mixed. Contributing to the increase were better-than-expected growth in manufacturing overtime hours, in the net gain of business telephone access lines, and in building plans examined.



LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries spent more time on the job in November than one month earlier. The average workweek in manufacturing lengthened by half an hour. However, that is just slightly below par. Normally, manufacturing employment drops about three thousand in November and the remaining workers put in more time. This November, manufacturing employment decreased by less than the normal seasonal amount and hours worked increased by less than normal.

The amount of overtime worked in manufacturing increased at well-above the usual seasonal trend. The work-force adjustments made by manufacturers resulted in an increase of the labor input into manufacturing. That is, the manufacturing employment times the hours worked grew.

The number of average weekly initial claims for unemployment grew by nearly five thousand in November, much above normal. An increase of about two thousand would have fit the seasonal pattern. Total employment did decrease this month, but by less than usual. What boosted the initial claims load? Many who became unemployed remained in the labor force, counter to the usual November labor force decrease.

The total number of job openings received by Job Service offices throughout the state decreased in November by over three thousand. Calls for workers normally do decrease this month, but not as severely.

The net gain of business telephone access lines increased by over one-hundred, an above-normal growth for this month. The access line figure is net - installations minus removals - and does not include extension lines.

The number of building plans examined decreased by one-hundred-thirty in November; but a usual decrease would amount to about twice that for this month. Commercial and industrial building plans are examined for safety purposes. Increases in plans examined usually portend construction-employment growth.

Section

A- WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	105.1 Nov	105.0	84.9	0.1	23.8	93.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	42.5 Nov	42.0	41.9	1.2	1.4	41.4
Seasonally Adjusted		42.1	42.2	41.5	- 0.2	1.4	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	4.5 Nov	4.?	3.8	7.8	18.4	3.6
Seasonally Adjusted		4.4	4.2	3.7	4.8	18.9	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	9236 Nov	5260	12,372	75.6	- 25.3	8802
Seasonally Adjusted		7313	5730	9795	27.6	- 25.3	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	6978 Nov	10,128	6006	- 31.1	16.2	7743
Seasonally Adjusted		7930	9546	6824	- 16.9	16.2	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	478 Nov	489	399	- 2.2	19.8	539
Seasonally Adjusted		505	484	421	4.3	20.0	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	2488 Nov	2377	-282	4.7	982.3	1276
Seasonally Adjusted		1815	1747	1204	3.9	50.7	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	674 Nov	805	546	- 16.3	23.4	560
Seasonally Adjusted		684	556	554	23.0	23.5	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	85 Sep	81	63	4.9	34.9	60
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	6.0 Nov	5.0	6.4	-	-	7.0
Seasonally Adjusted		6.4	5.8	6.9	-	-	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	164.8 Oct	68.4	152.9	140.9	7.8	214.6
Seasonally Adjusted		212.6	134.4	197.4	58.2	7.7	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	10,024 Nov	17,858	11,814	- 43.9	- 15.2	16,947
Seasonally Adjusted		13,025	13,903	15,352	- 6.3	- 15.2	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	2173.7 Oct	2061.9	2020.6	5.4	7.6	1946.0
Seasonally Adjusted		2122.8	2072.3	1972.3	2.4	7.6	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	119.3 Nov	147.4	92.5	- 19.1	29.0	171.0
Seasonally Adjusted		123.0	178.9	95.4	- 31.2	28.9	

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	% CHANGE Yr/Ago	AVG.
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	528.1	Nov	529.5	514.1	- 0.3	2.7	513.0
Seasonally Adjusted		527.6		526.3	513.3	0.2	2.8	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	453.05	Nov	445.20	437.02	1.8	3.7	427.38
Seasonally Adjusted		445.48		450.61	429.62	- 1.1	3.7	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	458.0	Sep	439.4	433.6	4.2	5.6	416.8
Seasonally Adjusted		452.1		435.0	427.9	3.9	5.6	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	69.4	Nov	70.9	67.6	- 2.1	2.7	64.0
Seasonally Adjusted		64.9		63.3	63.2	2.5	2.7	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5193	Nov	5855	5338	- 11.3	- 2.7	6,033
Seasonally Adjusted		5841		5701	6003	2.5	2.7	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3499	Nov	3649	3255	- 4.1	7.5	3,514
Seasonally Adjusted		3703		3789	3443	- 2.3	7.6	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	1694	Nov	2206	2083	- 23.2	-18.7	2,519
Seasonally Adjusted		2036		1944	2503	4.7	-18.7	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	2644	Nov	4258	2705	- 37.9	- 2.3	3,207
Seasonally Adjusted		3039		3022	3110	0.6	- 2.3	
X5 CONSUMER PRICE INDEX (MILW.)				(Nov'86)	(Jul'86)			
Unadjusted	INDEX	340.0	Jun	330.7	331.3	2.8	2.6	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	134	Nov	136	138	- 1.5	- 2.9	131
Seasonally Adjusted		133		136	137	- 2.2	- 2.9	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	1625	Nov	3066	3992	- 47.0	-59.3	1,363
Seasonally Adjusted		1588		1936	1366	- 18.0	-16.3	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	11	Nov	11	470	0.0	-97.7	769
Seasonally Adjusted		15		7	658	114.3	-97.7	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	14,662	Nov	15,202	22,588	- 3.6	-35.1	26,223
Seasonally Adjusted		16,201		16,138	24,962	0.4	-35.1	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month *	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2522.8	2518.2	2430.4	0.2	3.8
Employment (Inc. Labor Disputes)	2371.2	2393.0	2274.5	- 0.9	4.3
Unemployment	151.5	125.2	155.9	21.0	- 2.8
Unemployment Rate	6.0	5.0	6.4	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2511.2	2490.3	2419.0	0.8	3.8
Employment (Inc. Labor Disputes)	2350.1	2346.1	2253.2	0.2	4.3
Unemployment	161.2	144.2	165.8	11.8	- 2.8
Unemployment Rate	6.4	5.8	6.9	-	-

WISCONSIN EMPLOYMENT ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2102.3	2101.5	2050.7	0.0	2.5
Unadjusted					
Manufacturing	528.1	529.5	513.8	- 0.3	2.8
Mining	2.3	2.4	2.2	- 4.2	4.5
Contract Construction	69.4	70.9	67.6	- 2.1	2.7
Transportation and Public Utilities	95.1	95.4	94.4	- 0.3	0.7
Elec., Gas and Sanitary Services	17.4	17.5	17.4	- 0.6	0.0
Wholesale Trade	106.3	105.9	102.1	0.4	4.1
Retail Trade	403.2	401.0	389.2	0.5	3.6
General Merchandise	53.7	51.5	52.0	4.3	3.3
Finance, Insurance and Real Estate	111.9	111.9	109.2	0.0	2.5
Banking	28.2	28.2	27.8	0.0	1.4
Insurance	37.1	37.1	36.0	0.0	3.1
Service and Miscellaneous	454.0	455.3	436.5	- 0.3	4.0
Hospitals	70.0	69.6	67.3	0.6	4.0
Private Education	25.7	25.2	25.5	2.0	0.8
Government	331.8	329.1	335.8	0.8	- 1.2
State Government	84.8	84.3	87.0	0.6	- 2.5
Local Government	218.6	216.4	220.2	1.0	- 0.7

UNITED STATES LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	120,616	120,361	118,675	0.2	1.6
Employment	113,500	113,187	110,432	0.3	2.8
Unemployment	7,116	7,174	8,243	- 0.8	-13.7
Unemployment Rate	5.9	6.0	6.9	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT *(Unadjusted)* NOVEMBER	(In Thousands) Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	528.1	529.5	513.8
All Manufacturing (Excluding Canning)	519.0	518.5	503.6
Durable Goods	323.1	322.4	310.6
Lumber and Wood Prod., (Except Furniture)	25.9	25.8	23.3
Sawmills and Planning Mills	3.1	3.1	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	13.1	13.1	11.7
Furniture and Fixtures	11.4	11.3	10.7
Household Furniture	4.8	4.7	4.4
Stone, Clay and Glass Products	9.5	9.3	8.4
Concrete, Gypsum and Plaster Products	4.9	4.9	4.1
Primary Metal Industries	19.7	19.7	18.6
Iron and Steel Foundries	10.3	10.2	9.6
Fabricated Metal Products	52.1	52.2	51.1
Heating Equipment (Except Electrical) & Plumbing Fixtures	7.0	7.4	6.8
Fabricated Structural Metal Products	12.6	12.4	12.0
Metal Stampings	10.8	10.7	10.7
Machinery (Except Electrical)	103.0	101.9	97.5
Engines and Turbines	20.9	20.4	19.5
Farm Machinery and Equipment	13.0	12.7	11.7
Const., Min. & Material Handling Mach. & Equip.	11.8	11.6	10.9
Metalworking Machinery and Equipment	10.6	10.5	10.8
Special Industry Machinery (Except Metalworking)	12.3	12.2	11.5
General Industrial Machinery and Equipment	14.3	14.2	13.7
Service Industry Machines	6.7	6.7	6.7
Electrical Machinery, Equipment and Supplies	47.6	47.8	48.7
Electrical Industrial Apparatus	14.9	14.9	15.9
Household Appliances	6.3	6.4	6.6
Transportation Equipment	32.9	33.6	31.6
Motor Vehicles and Equipment	26.6	27.5	23.9
Instruments and Related Products	11.0	10.9	11.2
Miscellaneous Manufacturing	9.9	9.9	9.2
Nondurable Goods	205.0	207.1	203.2
Food and Kindred Products	60.2	62.0	61.1
Meat Products	13.9	13.8	14.4
Dairy Products	17.9	17.9	17.3
Canning and Preserving	9.1	11.0	10.2
Bakery Products	5.2	5.3	4.9
Beverage Industries	7.2	7.1	7.5
Textile Mill Products	4.2	4.2	3.9
Knitting Mills	3.6	3.7	3.3
Apparel and Other Finished Products	6.7	6.7	6.7
Paper and Allied Products	49.1	49.2	49.3
Pulp and Paper Mills	30.4	30.5	30.9
Converted Paper and Paperboard Products	10.2	10.3	10.1
Paperboard Containers and Boxes	7.4	7.2	7.0
Printing, Publishing and Allied Industries	41.2	41.2	40.2
Newspapers	12.5	12.4	12.5
Commercial Printing	17.8	17.9	17.1
Chemicals and Allied Products	11.5	11.5	10.8
Rubber and Misc. Plastics Products	25.0	24.9	24.1
Miscellaneous Plastics Products	20.7	20.6	19.7
Leather and Leather Products	6.9	7.0	6.9
Leather Tanning and Finishing	1.7	1.7	1.6
Footwear (Except Rubber)	3.4	3.4	3.4
Other Nondurable Goods	–	–	–

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* NOVEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$453	$445	$437	42.5	42.0	41.9
All Manufacturing (Excl. Canning)	456	450	440	42.6	42.1	42.0
Durable Goods	466	457	445	43.1	42.4	42.1
Lumber/Wood Prod. (Exc. Furn.)	317	317	306	40.1	40.2	40.9
Furniture and Fixtures	351	359	339	42.7	44.2	42.8
Stone, Clay and Glass Products	441	454	414	46.2	46.9	44.9
Primary Metal Industries	474	453	442	46.2	44.7	43.6
Iron and Steel Foundries	484	457	441	47.5	45.2	44.4
Fabricated Metal Products	447	440	425	42.9	42.1	41.4
Fab. Structural Metal Prod.	454	453	470	45.4	45.3	45.5
Metal Stampings	475	458	442	41.7	40.7	40.4
Machinery (Except Electrical)	531	505	505	44.9	43.3	43.1
Engines and Turbines	611	557	587	45.5	42.7	44.6
Farm Machinery and Equip.	578	540	545	46.4	43.4	41.8
Const. and Related Mach.	534	510	472	47.3	45.6	43.5
Metalworking Mach. and Equip.	534	527	520	44.1	43.6	43.0
Spec. Ind. Mach. (Exc. Metal)	507	510	499	43.5	44.0	42.3
Gen. Industrial Mach. and Equip.	480	472	491	42.6	41.8	41.4
Electrical Mach., Equip. and Supp.	423	418	414	41.1	40.7	41.4
Electrical Industrial Apparatus	454	451	435	41.6	41.4	41.3
Transportation Equipment	589	601	575	41.2	41.6	41.7
Instruments and Related Prod.	389	374	356	43.2	41.4	40.1
Nondurable Goods	433	429	425	41.5	41.5	41.6
Food and Kindred Products	395	387	394	40.6	40.9	40.5
Meat Products	391	379	371	44.0	43.5	42.1
Dairy Products	402	396	412	40.3	40.0	41.2
Textile Mill Products	280	289	342	40.6	41.5	44.9
Apparel and Other Fin. Prod.	247	252	253	38.2	38.6	39.6
Paper and Allied Products	594	588	574	46.1	45.6	46.3
Pulp and Paper Mills	639	636	619	46.7	46.4	47.0
Printing, Pub. and Allied Prod.	446	445	424	39.2	39.2	38.4
Chemicals and Allied Products	397	397	478	37.0	36.5	41.7
Rubber and Misc. Plastics Prod.	340	340	324	41.0	41.0	40.1
Leather and Leather Products.	259	262	255	39.3	39.5	38.5

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* NOVEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.66	$10.60	$10.43	$10.09	$10.06	$10.02
All Manufacturing (Excl. Canning)	10.71	10.68	10.48	10.14	10.14	10.08
Durable Goods	10.81	10.77	10.57	10.27	10.28	10.23
Lumber/Wood Prod. (Exc. Furn.)	7.90	7.89	7.49	7.79	7.80	–
Furniture and Fixtures	8.21	8.13	7.92	7.84	7.88	7.74
Stone, Clay and Glass Products	9.54	9.68	9.21	9.06	9.18	9.19
Primary Metal Industries	10.27	10.14	10.14	9.64	9.56	9.72
Iron and Steel Foundries	10.18	10.10	9.94	9.54	9.50	9.55
Fabricated Metal Products	10.43	10.45	10.27	9.96	9.96	9.88
Fab. Structural Metal Prod.	10.00	10.01	10.34	9.42	9.38	9.83
Metal Stampings	11.39	11.26	10.93	10.91	10.87	10.60
Machinery (Except Electrical)	11.82	11.66	11.71	11.07	11.06	11.19
Engines and Turbines	13.42	13.04	13.16	12.34	12.29	12.30
Farm Machinery and Equip.	12.45	12.44	13.03	11.78	11.89	12.56
Const. and Related Mach.	11.28	11.19	10.85	10.59	10.58	10.53
Metalworking Mach. and Equip.	12.12	12.09	12.10	11.47	11.45	11.63
Spec. Ind. Mach. (Exc. Metal)	11.66	11.59	11.80	11.08	11.01	11.31
Gen. Industrial Mach. and Equip.	11.27	11.29	11.87	10.70	10.72	11.56
Electrical Mach., Equip. and Supp.	10.28	10.26	10.01	9.83	9.82	9.76
Electrical Industrial Apparatus	10.92	10.90	10.54	10.65	10.65	10.52
Transportation Equipment	14.29	14.44	13.79	13.74	13.82	13.17
Instruments and Related Prod.	9.01	9.03	8.89	8.62	8.70	8.71
Nondurable Goods	10.43	10.34	10.21	9.80	9.71	9.68
Food and Kindred Products	9.74	9.46	9.72	9.25	8.97	9.19
Meat Products	8.88	8.72	8.82	8.40	8.33	8.43
Dairy Products	9.98	9.91	9.99	9.44	9.39	9.45
Textile Mill Products	6.90	6.96	7.61	6.70	6.69	7.24
Apparel and Other Fin. Prod.	6.46	6.53	6.40	6.34	6.40	6.23
Paper and Allied Products	12.88	12.90	12.40	11.99	12.00	11.74
Pulp and Paper Mills	13.68	13.71	13.18	12.69	12.70	12.51
Printing, Pub. and Allied Prod.	11.37	11.36	11.05	–	–	–
Chemicals and Allied Products	10.72	10.87	11.46	10.37	10.51	11.15
Rubber and Misc. Plastics Prod.	8.29	8.30	8.09	7.96	7.96	7.77
Leather and Leather Products.	6.60	6.63	6.62	6.42	6.41	6.49

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* NOVEMBER	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$443	$439	$430	41.4	41.3	41.0	10.01	9.95	9.78	–	–
Wisconsin	453	445	437	42.5	42.0	41.9	10.66	10.60	10.43	10.09	10.06
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	478	467	452	43.3	42.8	42.8	11.03	10.92	10.55	10.44	10.36
Beloit (City)	398	397	421	39.7	39.9	40.8	10.03	9.95	10.32	9.88	9.81
Eau Claire (Eau Claire-Chippewa)	456	444	430	42.2	41.0	41.1	10.80	10.84	10.45	10.39	10.33
Fond du Lac (County)	419	406	436	39.9	39.3	43.9	10.51	10.33	9.93	10.11	10.03
Green Bay (Brown County)	482	473	480	42.2	42.2	42.1	11.42	11.20	11.39	10.43	10.19
Janesville (City)	557	559	556	40.4	40.5	41.2	13.79	13.80	13.50	13.51	13.48
Janesville-Beloit (Rock County)	476	482	502	40.0	40.3	41.0	11.89	11.96	12.24	11.57	11.62
Kenosha (County)	507	530	482	40.6	41.6	41.2	12.48	12.73	11.71	12.01	12.11
La Crosse (County)	375	369	375	41.8	40.6	40.1	8.96	9.09	9.35	8.63	8.72
Madison (Dane County)	399	403	395	40.9	41.2	40.5	9.76	9.77	9.76	9.32	9.34
Manitowoc (County)	395	387	381	41.1	40.7	40.4	9.60	9.51	9.42	9.17	9.07
Milwaukee (Milwaukee-Ozaukee-Waukesha Washington)	505	494	490	42.8	42.1	41.8	11.80	11.73	11.72	11.04	11.04
Racine (County)	482	459	447	43.0	41.1	41.5	11.22	11.16	10.77	10.68	10.72
Sheboygan (County)	409	405	403	42.8	42.8	42.0	9.56	9.46	9.59	9.06	8.97
Wausau (Marathon County)	434	437	419	43.0	43.3	43.1	10.09	10.10	9.71	9.51	9.51

EMPLOYMENT, MFG. *(Unadjusted)* NOVEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,382.0	19,352.0	19,014.0	0.2	1.9
Wisconsin	528.1	529.5	513.8	- 0.3	2.8
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	50.3	50.4	48.1	- 0.2	4.6
Beloit (City)	4.8	4.8	4.5	0.0	6.7
Eau Claire (Eau Claire-Chippewa)	10.0	10.0	10.4	0.0	- 3.8
Fond du Lac (County)	9.9	9.8	10.3	1.0	- 3.9
Green Bay (Brown County)	24.3	24.6	24.5	- 1.2	- 0.8
Janesville (City)	9.7	9.8	10.6	- 1.0	- 8.5
Janesville-Beloit (Rock County)	17.1	17.1	17.0	0.0	0.6
Kenosha (County)	14.2	15.3	11.3	-17.2	25.7
La Crosse (County)	10.6	10.4	10.1	1.9	5.0
Madison (Dane County)	23.0	22.9	21.8	0.4	5.5
Manitowoc (County)	11.4	11.5	11.7	- 0.9	- 2.6
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.0	168.4	167.7	1.0	1.4
Racine (County)	24.5	24.2	24.4	1.2	0.4
Sheboygan (County)	19.5	19.9	19.0	- 2.0	2.6
Wausau (Marathon County)	13.4	13.2	12.1	1.5	10.7

RATE, UNEMPLOYMENT VS. RATE, EMPLOYMENT

by Joseph Tumpach, Jr.

How can a technically versed specialist, with a simple graph, or with a few easily comprehended words, or even better, with a single number, communicate the labor market situation? We need just such a brief encapsulation of the labor economy.

As electronic information retrieval and processing opens new measurements of human activity and conditions, as we quantify more of our lives, more and increasingly more information saturates us. This is especially true in our economic lives. Years ago, it has been repeatedly said, we didn't know we were poor because all our neighbors lived in the same condition and we didn't know any better.

Today, the news media reports, monthly, the number of individuals employed, the number unemployed and analyzes price inflation into components for food costs, energy costs, housing costs and so on. Official publications report median family income and even disclose differences in wages and salaries among various occupations and among different regions of the country. The host of economic numbers is often arcane to the general public - the gross national product, the composite index of leading indicators, the GNP price deflator, the money supply of M1 and more. The numbers become, in the minds of the public, a complex mass decipherable only by high-level economists.

We need to condense that sea of economic data and to portray the essence of month-to-month change in economic information. A rising unemployment rate, a single number expressed as a percent, conveys a worsening job market; a declining rate, an improving job-seeking climate. The unemployment rate is a household concept, universally acknowledged, and headline news when it jumps up by more than a percentage point.

Yet, there are serious drawbacks and dangers in using a single number to explain the job situation. The unemployment rate, for example, includes only individuals who are actively seeking a job. Labor economists estimate that there exists a large number of people who have no job, who briefly seek a job, become discouraged and drop out of the labor force. These people are not counted in the unemployment rate.

Even the level of total employment or unemployment mislead as indicators of economic well-being. Total employment and unemployment fluctuate widely from month to month, varying because of a multiplicity of factors such as normal seasonal variation and short-term layoffs at establishments for inventory adjustment. And, in the employment column, are many who are working part-time because they cannot find full-time jobs.

The unemployment rate is derived from a household survey, the Current Population Survey. Nationwide, the survey includes about sixty-thousand households, but the Wisconsin portion includes less than one thousand. Thus, a margin of error exists, even though other factors such as unemployment compensation claims are factored into the formula. The unemployment rate is an over-all measure of unemployment among labor force participants, but does not indicate the dispersion of employment problems among the population. A step closer to an ideal indicator of the health of our labor market would factor in the size of our population.

The employment rate is an improvement, consisting, simply, of the total nonfarm wage and salary employment number divided by the population which is labor force age - sixteen years old and over. The concept behind the employment rate is the same as the concept for indicating income. The U.S. Commerce Department records and releases total personal income figures for the nation, for each state,

and for areas within states. Large differences exist among states because of both economic development and population. So, to judge the wealth of a state or area, we use the average income per individual, or per capita income. Similarly, the employment rate - which is, in effect, the average number of jobs per individual - indicates employment well-being within an area. Since many people do not want to be employed, population exceeds employment and the employment rate is less than one-hundred percent. But the principle is valid; a higher employment rate implies better economic conditions for those concerned with the labor force. A higher rate means an area has been successful at generating jobs.

The employment rate does have short-comings. The employment portion of the equation, the numerator, includes only those working for wages and salaries in nonfarm jobs. Excluded are self-employed and nonpaid family workers. Also, no distinction is made for part-time earners, so a worker with two jobs, one full-time and one part-time, say, is counted twice. However, the number of such dual-job holders is small. About five percent of all workers hold more than one job, nationally, and it is probably about the same in our state.

The nonfarm wage and salary employment figure has some advantage over the household-derived total employment estimate. The wage and salary employment estimate is derived from an employer survey, which many experts consider more accurate than a household survey. And, estimates of nonfarm wage and salary employment are revised annually using the employers' unemployment compensation tax records which contain a full count of employment.

The population part of the employment rate, the denominator, comes from the Current Population Survey. Survey questions asking for the number of individuals age sixteen and older are less open to respondent interpretation than questions asking for employment status. Thus, the survey-derived population estimate is quite accurate.

Both the change in population and the change in employment alter the employment rate from one month to the next. As an indicator of labor force health, both factors should influence the number. However, one factor, say population, should not overshadow changes in the other, and, thus, signal inaccurate economic trends. Employment changes in the state's nonfarm wage and salary sector vary more frequently and by a greater amount than changes in the working-age population.

Population change occurs gradually, taking several months or even years to produce a trend. Even in times of high unemployment rates and massive layoffs, worker migration from the state is not immediate. Monthly population trends, simply, are more stable than employment trends, so, short-term changes in the employment rate are chiefly due to gain or loss of nonfarm wage and salary employment.

The employment rate coincides well with the cyclical swings of the economy as a whole, decreasing in recessions and increasing during recovery and expansion. If the employment rate does, indeed, signify an area's economic well-being, changes in the employment rate indicate the economic impact of recessions and recovery within the area.

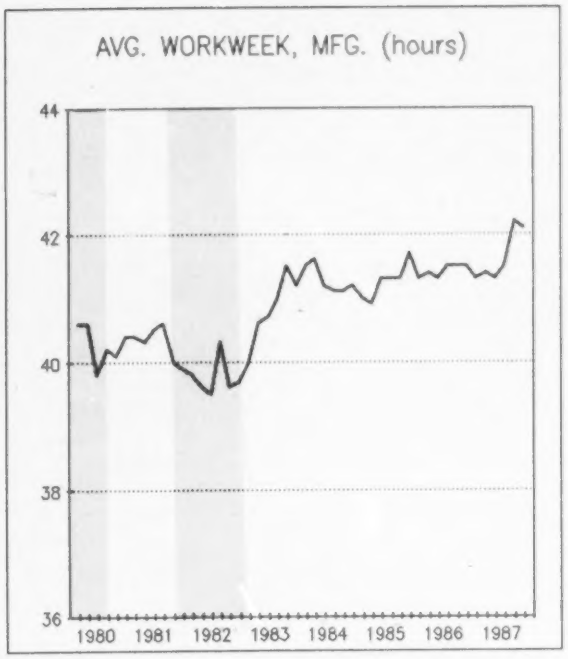
About half of Wisconsin's, as well as the nation's, working-age population has been employed in nonfarm wage and salary jobs throughout the last ten years.

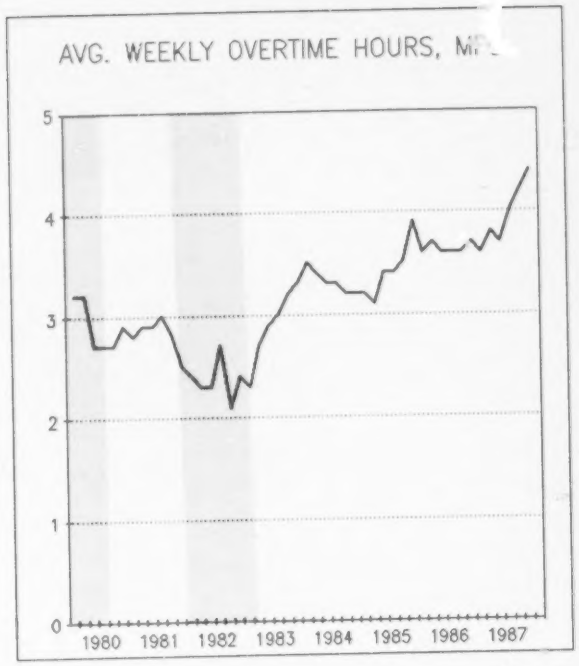
Even during the extremes of a full cycle of recession and expansion, the employment rate varies within a narrow range. That narrow range, however, translates into wide swings of employment levels. Wisconsin's employment rate progressed from between fifty-three and fifty-four percent in 1977 to mid fifty-seven percent in 1987, showing gradual employment growth among the population. The rate's growth, however, was interrupted in the first half of 1980 and in the middle of 1981, showing the effect of recessions on employment.

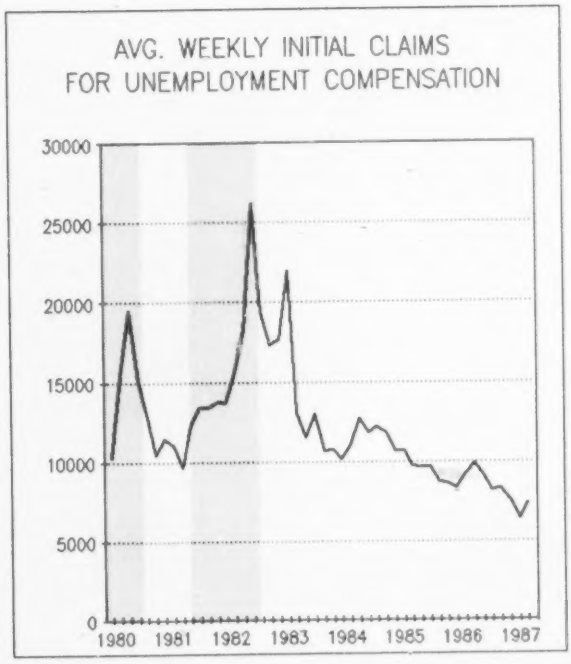
In both Wisconsin and in the nation, the employment rate has increased consistently since the first quarter of 1983. The long-term growth, however, may pause. In the future, a large share of our labor force will advance to retirement age. And with fewer new labor force entrants replacing retirees, the employment rate will likely decrease. That will not necessarily signify economic decline, and population growth together with an increasing number of labor force participants will resume. Wisconsin's employment rate has indicated long-term growth, but has also signaled business cycle fluctuations and that is what an economic indicator should do.

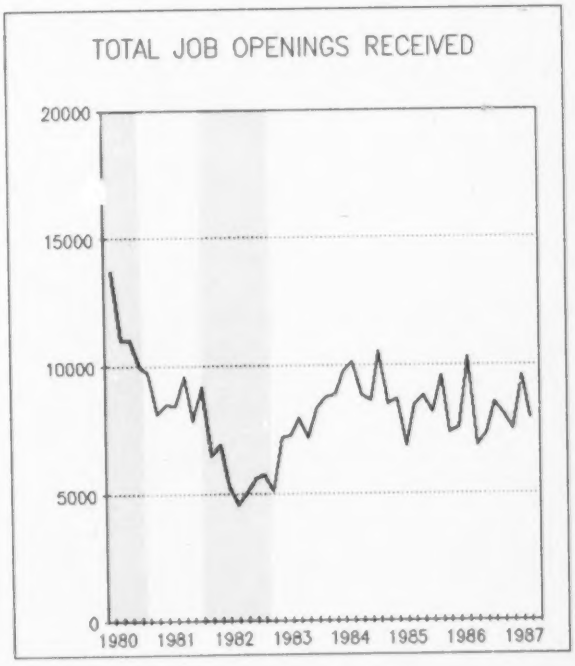
Section

D CYCLICAL INDICATORS









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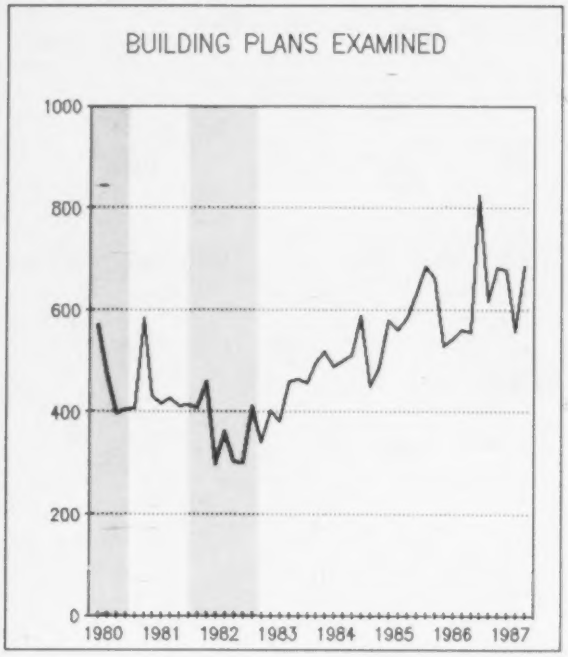

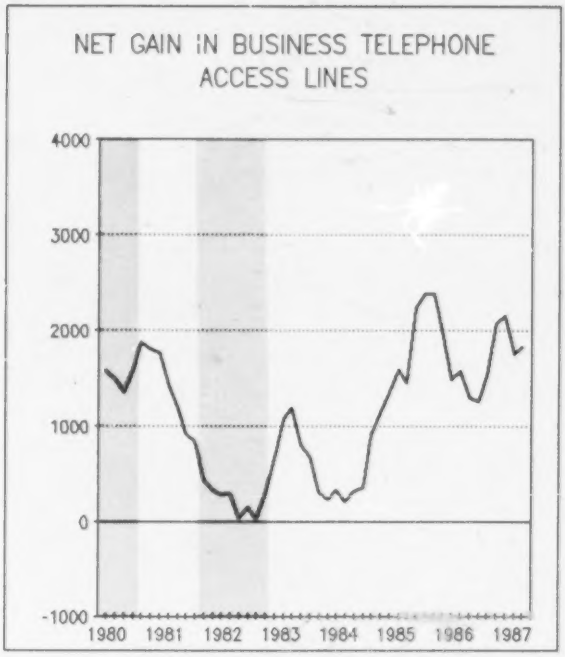

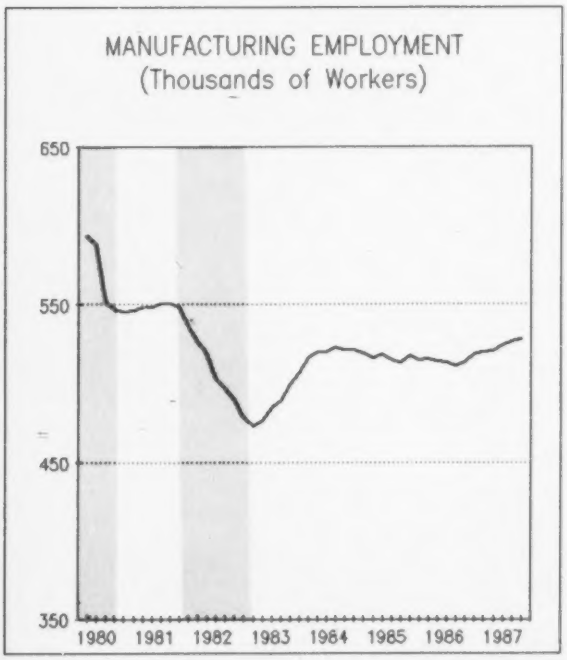

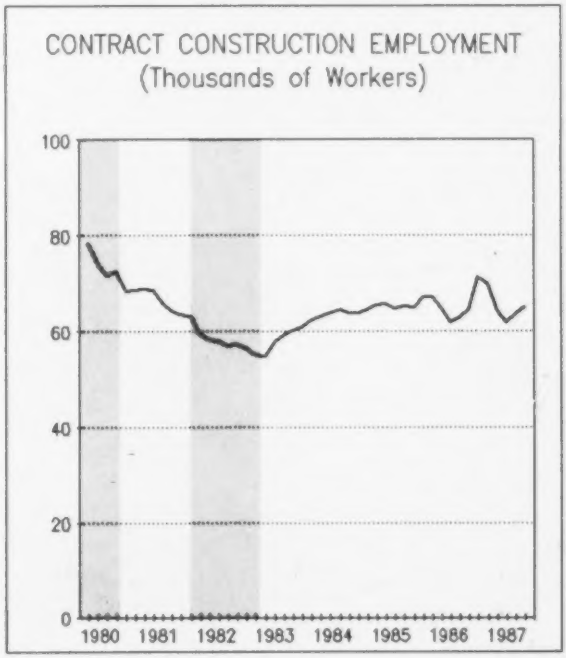

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